

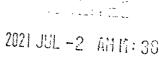
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### **PROJECT NO. 51840**



RULEMAKING TO ESTABLISH ELECTRIC WEATHERIZATION STANDARDS PUBLIC UTILITY COMMISSION
OF TEXAS

# <u>COMMENTS OF</u> ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

Electric Reliability Council of Texas, Inc. (ERCOT) respectfully submits these comments in response to the Public Utility Commission of Texas's (Commission) June 9, 2021 request for comments. At the request of Commission Staff, ERCOT is submitting these comments today, July 2, 2021.

### Introduction

Through Senate Bill 3, the Texas Legislature directed the Commission and other agencies to establish standards that mitigate the risks of extreme weather on the Texas energy infrastructure. ERCOT agrees that weatherization standards are needed to improve the reliability of the generation and transmission systems in the ERCOT region. ERCOT provides these general thoughts on the direction of this rulemaking and responds to certain comments that have already been submitted.

### **Comments**

ERCOT supports the adoption of a standard that specifies various weather conditions under which all generation and transmission facilities must be designed and maintained to operate. ERCOT suggests that the specified conditions include not only a maximum and minimum operating temperature, but also other factors such as wind speed, humidity, and precipitation, including icing. ERCOT recommends that the standard require that generation and transmission facilities be capable of operating continuously under the specified conditions based on geographical location. ERCOT urges the Commission to consider the historical hottest and coldest temperatures as well as recommendations from the State's climatologist to establish these regions and the appropriate standards. ERCOT also recommends that the standard include more stringent requirements for black start facilities.



<sup>&</sup>lt;sup>1</sup> The Commission may want to consider regional principles and weather standards established in national standards such as the National Electrical Safety Code (NESC).

ERCOT recommends that the Commission require submittal of detailed vulnerability assessments for each facility to determine the facility's ability to meet the Commission's standard. This assessment should be performed periodically and possibly by an independent certified professional, such as a professional engineer. Under this construct, ERCOT would inspect facilities based on their vulnerability assessment and good utility practice for weatherization. In accordance with Senate Bill 3, ERCOT would decide which facilities to inspect each year using a risk-based approach.

As noted by many commenters, there is a price to pay for improved reliability by establishing these standards, which should be carefully considered. ERCOT welcomes the opportunity to discuss this process with the Commission and other parties to achieve the desired goals.

To the extent that setting mandatory standards could have an indirect impact on resource adequacy, ERCOT recommends that the Commission consider ways to ensure compliance with the requirements while maintaining resource adequacy. The requirements should be based on system needs, though, and should not be lessened simply because they may be difficult for some existing facilities to meet.

ERCOT also supports the Commission's consideration of standards addressing other conditions such as, but not limited to, wildfires, hurricanes, droughts, and flooding. For intermittent renewable resources, ERCOT recommends that the Commission explicitly require anti-icing or de-icing measures and temperature retrofits.

#### **Responses to Comments**

Multiple commenters noted that the North American Electric Reliability Corporation (NERC) has already approved mandatory reliability standards addressing cold weather preparations, which are currently pending approval by the Federal Energy Regulatory Commission (FERC). ERCOT agrees with the commenters that these standards are a good starting point, but believes they would not have made much of a difference in mitigating the impact of the February 2021 extreme winter weather event because ERCOT generators were already required to have weatherization plans. ERCOT believes that the Texas standards need to go further than the NERC standards and establish specific weatherization performance criteria to have a material impact on reliability during extreme temperature conditions. ERCOT agrees with the comments of NRG

Energy, Inc. that the requirements should apply to all facilities within the region.

ERCOT generally agrees that, depending on the standards established, it may take time to identify and implement changes to bring facilities into compliance. ERCOT recommends the Commission establish a plan to implement standards while minimizing the reliability risk in the interim. Although several commenters expressed concerns with bringing existing facilities up to date to meet new standards, excluding any existing facilities will undermine the reliability objectives of the underlying legislation.

ERCOT also suggests that the Commission consider requiring any facility owner that experiences a failure during extreme weather to perform root-cause analysis, work with the appropriate entity to update its vulnerability assessment, and identify and execute one or more corrective action plans to mitigate future failures.

Many comments from transmission providers indicate that they have built facilities in accordance with existing national standards, such as the NESC. ERCOT believes additional analysis is required to see how these standards align with the conditions experienced in February 2021. Further analysis may also be needed to identify potential common mode failures (e.g. low gas pressure breaker operations; low oil level transformer trips; galloping conductors, etc.) that could be prevented by establishing Commission standards that exceed these national standards.

## Conclusion

ERCOT appreciates the Commission's consideration of these comments and would be pleased to provide any additional information.

# Respectfully submitted,

# /s/ Dana Showalter

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